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Review of the efficiency of the administrative and financial functioning of the United Nations

Proposed programme budget outline for the biennium 2012-2013

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the proposed programme budget outline for the biennium 2012-2013 (A/65/560 and Corr.1), which was submitted pursuant to General Assembly resolution 41/213. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. In section II of his report, the Secretary-General describes how he arrived at the preliminary estimate of resources for 2012-2013, which amounts to $5,456.1 million (expressed in initial 2010-2011 prices). In paragraph 3, he indicates that the approved level of appropriations and related commitments for the current biennium, namely $5,159.0 million, was taken as the starting point. The Advisory Committee notes from annex I to the report that, of the total amount of $5,159.0 million appropriated for 2010-2011, $4,159.0 million relates to established activities funded under the regular budget, while the remaining $1,000.0 million represents the overall provision for 2010-2011 for special political missions.

3. From that starting point, the Secretary-General has made a number of adjustments in order to arrive at the final preliminary estimate. With respect to established activities funded under the regular budget, he provides for an additional $21.8 million to account for the delayed impact in 2012-2013 of regular budget posts established during the current biennium. He then subtracts an amount of $45.9 million, corresponding to one-time costs required during the biennium 2010-2011. Finally, he provides for additional estimated requirements in the amount of $81.0 million arising from programme changes in 2012-2013 (A/65/560, paras. 4-12).

4. Thus, as indicated in paragraph 13 of the report, taking into account programmatic changes, as well as adjustments for delayed impact and one-time costs, the Secretary-General foresees a total net projected growth in programme resources of 1.4 per cent, or $56.9 million. As indicated in paragraph 21 of the

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report, however, once account is taken of the full estimated biennial provision for special political missions, which amounts to $1,240.2 million, the total preliminary estimate of $5,456.1 million would represent an increase of $297.1 million, or 5.8 per cent, over the existing provisions for the biennium 2010-2011.

5. In paragraph 18 of his report, the Secretary-General indicates that the budget preparation process will, in accordance with regulation 5.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, continue to include a detailed review of programme outputs to ensure their continued relevance. Thus, the final budget proposals will reflect the benefit of further reviews of possible obsolete activities, additional cost-effective measures and simplified procedures. **In this regard, the Advisory Committee stresses the continued importance of the rigorous application by the Secretary-General of the established procedures for reviewing programme outputs with a view to determining their ongoing relevance and ensuring the optimum utilization of resources.**

6. **With regard to the preliminary estimate of resources for 2012-2013, the Advisory Committee agrees with the adjustments proposed by the Secretary-General to reflect the delayed impact in 2012-2013 of regular budget posts established during the current biennium and the non-requirement for resources provided in 2010-2011 for one-time costs. However, as for the estimated increase of $81.0 million proposed to account for programmatic changes during the biennium 2012-2013, the Committee is of the view that, when presenting his detailed budget proposals, the Secretary-General should provide an analysis demonstrating that he has exhausted all the opportunities offered by the review process described in paragraph 18 of his report. In this connection, and given the concerns it has expressed previously about the need to go beyond incremental budgeting and to evaluate and consider the entire quantum of resources necessary to carry out the programmes and activities mandated by the General Assembly and other organs (see, inter alia, A/64/7, para. 84, and A/62/7, para. 21), the Committee considers that it is premature to conclude that additional resources would be required to accommodate those changes.**

7. On a related matter, the Advisory Committee continues to be concerned about the potential budgetary impact of extending positions funded under general temporary assistance that were originally approved for time-limited functions. **The Committee therefore recommends that, to the extent possible, the Secretary-General provide the General Assembly, in the context of the proposed programme budget for the biennium 2012-2013, with an indication of the number of positions funded under general temporary assistance during the current biennium, and, where such information is available, the functions associated with those positions.**

8. As indicated in paragraph 4 above, the Secretary-General estimates that the full biennial provision for special political missions in 2012-2013 would amount to $1,240.2 million, an increase of $240.2 million as compared with the overall provision of $1,000.0 million for the current biennium. In paragraph 16 of his report, the Secretary-General states that, while the present composition of special political missions may change in 2012-2013, it is not expected that the overall level of resources will trend downward. Upon enquiry, the Advisory Committee was informed that the continued increase in resource requirements for special political

missions reflected the prevailing situation on the ground, in particular the need for security upgrades in many missions.

9. In paragraph 17 of his report, the Secretary-General enumerates a number of characteristics of special political missions that set them apart from other activities financed from the regular budget. For instance, the structures in those missions do not form part of the organizational structure of the United Nations Secretariat; the procedures followed for the initiation of such missions are not aligned with the regular budget programme planning and budgeting cycle; and missions may be approved at any time of the year. As a result, the Secretary-General states that their timing and related resource requirements have consistently proven almost impossible to predict accurately. He therefore invites the General Assembly to give guidance on the continued treatment of special political missions under the regular budget procedures for estimating requirements in the budget outline and subsequent programme budgets.

10. **The Advisory Committee notes the efforts made by the Secretary-General to implement its earlier recommendation that he continue to present the estimates for special political missions in such a way as to readily identify those resources attributable to them, thereby enabling the General Assembly to better assess the impact of the estimates for special political missions on the proposed budget outline (see A/63/622, para. 6). The Committee continues to see merit in this form of presentation.**

11. As indicated by the Secretary-General in his report, the requirements set out in the outline will be subject to recosting, prior to their approval by the General Assembly, to reflect, inter alia, changes owing to inflation and exchange rates for the biennium. The Secretary-General also emphasizes that the overall level of estimated requirements for 2012-2013 will be affected by decisions to be taken in the context of the first performance report for 2010-2011 and by revised estimates and statements of programme budget implications to be considered by the Assembly at its sixty-fifth session (A/65/560, paras. 19 and 22).

12. In this regard, the Advisory Committee notes that, in response to the request of the General Assembly in its resolution 6[illegible]266, annex II to the report of the Secretary-General provides a detailed list of initiatives of which the Assembly is currently seized or for which reports are expected to be submitted. According to the Secretary-General, those items, if adopted, will have a significant bearing on the level of the proposed programme budget for the biennium 2012-2013 (ibid., para. 24). Upon enquiry, the Committee was provided with an updated list, as at 8 December 2010, of such initiatives and their potential financial implications (see annex). The Committee notes that, if the budget outline were to include the estimates in respect of all items currently before the Assembly and foreseeable items in reports yet to be issued, the preliminary estimate would be likely to increase by approximately $38.9 million. **The Committee recommends that the General Assembly take account of the updated information set out in the annex to the present report.**

13. The size of the contingency fund is discussed in paragraph 23 of the report of the Secretary-General. **The Advisory Committee recommends approval of the proposal of the Secretary-General that, for the biennium 2012-2013, the level of the contingency fund continue to be set at 0.75 per cent of the overall level of resources.**

Annex

Impact of items before the General Assembly and foreseeable items yet to be considered on the proposed programme budget outline for the biennium 2012-2013[a]

(Thousands of United States dollars)

Initial estimate (A/65/560)		
Appropriation for 2010-2011 (includes $2.7 million for Emergency Preparedness and Support Unit and $187,000 for the United Nations Office to the African Union)[b]	5 158 961.2	
Plus: Delayed impact of post and non-post resources approved in 2010-2011	21 827.0	
Less: One-time costs in 2010-2011	(45 919.0)	
Plus: Provision for new or expanded activities/events foreseen and/or mandated in 2012-2013	81 013.3	
Subtotal	**5 215 882.5**	
Additional provision required for special political missions at the current programme level[c]	240 181.9	
Preliminary estimate for 2012-2013		**5 456 064.4**
First performance report (A/65/589)[d]		
Additional appropriation:		
(a) Unforeseen and extraordinary expenses	6 911.2	
(b) Decisions of policymaking organs (includes $5.0 million for the integrated headquarters facility for the United Nations Assistance Mission for Iraq	5 000.0	
(c) Revised estimates for currency, inflation and adjustments to standard costs	(22 239.1)	
Advisory Committee	(5 000.0)	
Subtotal, first performance report	**(15 327.9)**	
Not required for 2012-2013	**(6 911.2)**	
Total, first performance report		**(22 239.1)**
Revised estimates (reports to be considered by the General Assembly at its sixty-fifth session)[e]		
Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict	2 482.6	
Advisory Committee	(353.5)	
Delayed impact, 2012-2013	2 633.6	
One-time costs in 2010-2011 not required in 2012-2013	(300.9)	
Total, Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict		**4 461.8**

Administration of justice — evaluation of the current system and resources	7 627.5	
Advisory Committee	(6 539.6)	
Delayed impact, 2012-2013	1 087.9	
One-time costs in 2010-2011 not required in 2012-2013	—	
Total, administration of justice		**2 175.8**
Revised security management framework and revised estimates relating to the programme budget for 2010-2011 under section 5, Peacekeeping operations, related to a strengthened and unified security management system for the United Nations	3 181.1	
Advisory Committee	—	
Delayed impact, 2012-2013	445.8	
One-time costs in 2010-2011 not required in 2012-2013	(3 011.0)	
Total, strengthened and unified security management system		**615.9**
Revised estimates relating to the programme budget for 2010-2011 for the normative support functions of the United Nations Entity for Gender Equality and the Empowerment of Women	430.1	
Advisory Committee	—	
Delayed impact, 2012-2013	1 072.6	
Total, United Nations Entity for Gender Equality and the Empowerment of Women	**1 502.7**	
Revised estimates under section 23, Human rights, of the programme budget for 2010-2011 resulting from the increase in the membership of the Committee on the Rights of Persons with Disabilities	319.7	
Advisory Committee	—	
Delayed impact, 2012-2013	483.5	
One-time costs in 2010-2011 not required in 2012-2013	—	
Total, rights of persons with disabilities[f]		**803.2**
Report of the Secretary-General on the information and communications technology (ICT) strategy, including the role and responsibilities of the Chief Information Technology Officer[g]	1 280.3	
Advisory Committee	(1 280.3)	
Delayed impact, 2012-2013	—	
One-time costs in 2010-2011 not required in 2012-2013	—	
Total, ICT strategy		—
Revised estimates arising in relation to the expansion of the Committee on the Protection of the Rights of All Migrant Workers and Members of Their Families[h]	—	
Advisory Committee	—	
Delayed impact, 2012-2013	135.4	
One-time costs in 2010-2011 not required in 2012-2013	—	
Total, Committee on the Protection of the Rights of All Migrant Workers[f]		**135.4**

Revised estimates resulting from the increase in the number of members of the Subcommittee on Prevention of Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment pursuant to article 5 of the Optional Protocol to the Convention against Torture	2 331.5	
Advisory Committee	(1 539.7)	
Delayed impact, 2012-2013	755.2	
One-time costs in 2010-2011 not required in 2012-2013	(36.6)	
Total, Subcommittee on Prevention of Torture[f]		**1 510.4**
Revised estimates arising from resolutions and decisions adopted by the Human Rights Council at its fifteenth session	2 469.0	
Advisory Committee	(181.6)	
Delayed impact, 2012-2013	4 272.8	
One-time costs in 2010-2011 not required in 2012-2013	(253.3)	
Total, Human Rights Council	**6 306.9**	
Request for a subvention to the Special Court for Sierra Leone (A/65/570)[i]	15 559.8	
Advisory Committee[j]	(5 677.2)	
Delayed impact, 2012-2013[k]	2 356.8	
One-time costs in 2010-2011 not required in 2012-2013[l]	(9 882.6)	
Total, Special Court for Sierra Leone		**2 356.8**
Statements of programme budget implications emanating from Main Committees of the General Assembly at its sixty-fifth session[l]		
Strengthening of the management capacity of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)[m]		
Advisory Committee		
Delayed impact, 2012-2013		
One-time costs in 2010-2011 not required in 2012-2013		
Total, strengthening of UNRWA		
Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission (ICSC) in accordance with rule 153 of the rules of procedure[n]	—	
Advisory Committee	—	
Delayed impact, 2012-2013[o]	18 840.0	
One-time costs in 2010-2011 not required in 2012-2013	—	
Total, ICSC		**18 840.0**
Committee on Economic, Social and Cultural Rights[l,p]		
Advisory Committee		
Delayed impact, 2012-2013		
One-time costs in 2010-2011 not required in 2012-2013		
Total, Committee on Economic, Social and Cultural Rights		

Scientific Committee on the Effects of Atomic Radiation[l]		
Advisory Committee		
Delayed impact, 2012-2013		
One-time costs in 2010-2011 not required in 2012-2013		
Total, Scientific Committee on the Effects of Atomic Radiation		
Draft decision of the Committee against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment[h]	—	
Advisory Committee[q]	—	
Delayed impact, 2012-2013[r]	69.4	
One-time costs in 2010-2011 not required in 2012-2013	—	
Total, Committee against Torture		**69.4**
Decision of the Committee on the Elimination of Racial Discrimination[l]		
Advisory Committee		
Delayed impact, 2012-2013		
One-time costs in 2010-2011 not required in 2012-2013		
Total, Committee on the Elimination of Racial Discrimination		
Revised estimates relating to the establishment of the Committee on Enforced Disappearances[l]		
Advisory Committee		
Delayed impact, 2012-2013		
One-time costs in 2010-2011 not required in 2012-2013[l]		
Total, Committee on Enforced Disappearances		
Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development[h]	—	
Advisory Committee[q]	n/a	
Delayed impact, 2012-2013[s]	145.0	
One-time costs in 2010-2011 not required in 2012-2013[l]		
Total, implementation of Agenda 21/World Summit on Sustainable Development		**145.0**
Permanent memorial to and remembrance of the victims of slavery and the transatlantic slave trade[l]		
Advisory Committee		
Delayed impact, 2012-2013		
One-time costs in 2010-2011 not required in 2012-2013		
Total, permanent memorial to and remembrance of the victims of slavery and the transatlantic slave trade		

Global efforts for the total elimination of racism, racial discrimination, xenophobia and related intolerance and the comprehensive implementation of and follow-up to the Durban Declaration and Programme of Action[l]	
Advisory Committee	
Delayed impact, 2012-2013	
One-time costs in 2010-2011 not required in 2012-2013	
Total, Durban Declaration and Programme of Action	
Reports anticipated at the resumed sixty-fifth session of the General Assembly[l,t]	
Revised estimates relating to the organizational resilience framework (including secondary data centre)	
Advisory Committee	
Delayed impact, 2012-2013	
One-time costs in 2010-2011 not required in 2012-2013	
Total, organizational resilience framework	
Strategic capital review[l]	
Advisory Committee	
Delayed impact, 2012-2013	
One-time costs in 2010-2011 not required in 2012-2013	
Total, strategic capital review	
Geneva Heritage Plan[l]	
Advisory Committee	
Delayed impact, 2012-2013	
One-time costs in 2010-2011 not required in 2012-2013	
Total, Geneva Heritage Plan	
Reports anticipated at the sixty-sixth session of the General Assembly[l]	
Towards an accountability system in the United Nations Secretariat[u]	
Total estimate of possible revised estimates and statements of programme budget implications that may affect the proposed programme budget outline	**38 923.3**

(Footnotes on following page)

(Footnotes to table)

Abbreviations:

[a] Formulated on the basis of information available or anticipated as at 8 December 2010.

[b] Includes the initial appropriation (General Assembly resolutions 64/244 A-C) and subsequent appropriations (resolutions 64/260 and 64/288).

[c] Reflects current mandates in 2010-2011, adjusted for expected discontinuation of missions and biennial provisions for new missions beginning in 2011.

[d] Requirements based on the Secretary-General's first performance report for the biennium 2010-2011 (A/65/589).

[e] Decisions of the Fifth Committee not factored into estimates pending outcome of deliberations.

[f] Agreed by the Fifth Committee in informal consultations.

[g] The total resource requirements projected for 2010-2011 amount to $8,535,400. It is proposed that the strengthening of ICT be financed jointly from the regular budget (15 per cent), the peacekeeping support account (62 per cent) and extrabudgetary resources (23 per cent) on the basis of the apportionment applied to cost-shared activities such as the enterprise resource planning system. On this basis, the regular budget share would amount to approximately $1,280,300.

[h] Additional requirements for 2010-2011 will be met within the overall appropriation approved under the respective sections.

[i] The subvention for the Special Court for Sierra Leone in the amount of $15,559,810 for the period from 1 November 2010 to 31 December 2011, in accordance with the provisions of paragraph 11 of annex I to resolution 41/213, is to be met under the provision for special political missions under section 3, Political affairs, of the programme budget for the biennium 2010-2011.

[j] Subsequent to the issuance of the Secretary-General's report, the Special Court received additional pledges from Montenegro ($1,000), the United Kingdom ($631,960) and the United States ($4,455,445). Accordingly, the Court is now in a position to continue operating without a subvention until 31 December 2010 and will end the year with a projected excess of income over expenditure in the amount of $586,050. The Advisory Committee was provided with the updated requirements for the financing of the Court for the period from 1 November 2010 to 29 February 2012 and noted that the revised request for a subvention amounts to $12,239,344. Of that amount, $9,882,594 would be required for 2011, with the remainder, or $2,356,750, required for January and February 2012.

[k] An additional subvention to the Special Court in the amount of $2,356,750 for the period from 1 January to 29 February 2012 would be included as a first charge against the provision for special political missions under section 3, Political affairs, of the proposed programme budget for the biennium 2012-2013 and submitted to the General Assembly at its sixty-sixth session.

[l] To be determined.

[m] In line with paragraph 7 of General Assembly resolution 64/89, pursuant to which the Secretary-General was requested to support the institutional strengthening of the Agency through the provision of sufficient financial resources from the regular budget of the United Nations.

[n] Should the General Assembly approve the recommendations of the Commission, requirements of $10.1 million will be considered in the context of the performance reports for 2010-2011 and requirements for 2012-2013 will be considered in context of the proposed programme budget for 2012-2013.

[o] Requirements of $18.8 million for 2012-2013 reflect new requirements. Requirements of $10.1 million for 2010-2011 will be considered in context of the performance reports for 2010-2011. If not provided for in the first performance report, the $10.1 million would represent an additional requirement for the biennium 2012-2013.

[p] Deferred from the 2010 substantive session of the Economic and Social Council.

[q] As requirements for 2010-2011 are proposed for absorption, no statement of programme budget implications was submitted to the Advisory Committee for consideration.

[r] Based on the oral statement of programme budget implications submitted to the Third Committee; reflects requirements for 2012-2013.

[s] Based on the oral statement of programme budget implications arising from draft resolution A/C.2/65/L.52 on the implementation of Agenda 21, the programme for the further implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development. Known requirements relating to the third intersessional meeting would amount to $145,000 for 2012-2013. Requirements related to servicing the United Nations Conference on Sustainable Development are not yet known and will be reported by the Secretary-General through established procedures once the dates and modalities of the Conference are decided by the General Assembly.

[t] Does not include any requirements emanating from the report of the Internal Justice Council.

[u] In line with paragraph 33 of General Assembly resolution 64/259, pursuant to which the Secretary-General was requested to report to the Assembly at the main part of its sixty-sixth session on the implementation of the resolution, including on the implementation of results-based management.